The Director of Central Intelligence Washington, D.C. 20505

> NIC-01907-87 l June 1987

Senior Review Panel

MEMORANDUM FOR: Director of Central Intelligence

Deputy Director of Central Intelligence

SUBJECT:

Senior Review Panel Comments on Draft

Concept Paper and Terms of Reference (TOR) for NIE: Maintaining a Greek-Turkish Military

Balance: How Much Longer Will It Work?,

internally dated 20 May 1987

- 1. The Panel considers that, for the most part, the drafts on Aegean military balance provide a reasonable estimative framework. We are concerned, however, that they are too narrowly focused and may not give policy level readers an adequate sense of the opportunities and dangers to which the military balance relates.
- 2. As the Concept Paper notes, the estimate (a) aims to examine "the military balance question" through mid-1989; (b) excludes a detailed review of "the range of political options or actions" prompting--or, presumably, deterring--war; but (c) intends to analyze "the larger question of the delicate equilibrium" prevailing today in the Greek-Turkish relationship as well as "all elements in the Greek-Turkish-Cypriot equation." Without detailed scrutiny of political options, we think the policy community would find supportive the Community's brief evaluation of at least the matters indicated below.
- 3. Aegean Questions. The TOR mention "normally routine border incidents" and "usually contentious bilateral differences" (III-B) and have a single reference to Cyprus (IV-B). The estimate should, in our view, also provide some account of the status and prospects of Aegean disputes which have long troubled US policymakers. Among them:
 - (a) conflicting Greek-Turkish territorial claims to the surrounding seas, continental shelves, and airspace;
 - (b) island militarization;

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(c) NATO command and control arrangements.

What positions has the US taken on these matters since the 1976 estimate and with what results?

- Other Actors. The TOR lack provision for an analysis of outside forces in the region and their implications for both the direct Greek-Turkish military balance and the possibility of bilateral hostilities. For example, what kinds of a land, sea, and air presence do the USSR and its clients have in the Aegean and the environs of Greece and Turkey? It seems to us of importance to give policymakers a sense of the broader military forces present in the area and their possible impact on prospects for war, war deterrence, or war alliances.
- Economics. The TOR propose to examine Greek and Turkish defense spending projections through the end of 1989--in terms of weapons systems and equipment or training shortfalls. We assume the text will situate these projections in a wider, but succinct, 1987-1989 economic context. How realistic are the respective defense outlooks in terms of expected GNPs, competitive demands, budget forecasts? How dependent are they on foreign aid--and what would be the probable effects of varying aid levels?
- 6. US Base Negotiations. Both the Greek and the Turkish DECAs will, in all probability, be renegotiated--and possibly significantly altered--within the estimate's time frame. do not mention their prospects or the implications of the main alternative outcomes. We think the question a primary concern of US policymakers, and recommend that some analysis of base right prospects be included.

7. Graphics. We assume the text will include a few maps, tables, and trend charts illustrating the text's main points.

William Leonhart

nn B. McPherson

1. D. T. (in substance)

James D. Theberge

cc: Chairman, NIC

NIO/GPF

VC/NIC (Mr. Fuller)

VC/NIC (Mr. Hutchinson)

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